



Concept Note

High-level Expert Group Meeting

Towards the Post-2015 Development Agenda and

the African Agenda 2063:

**Enhancing the management of Africa's Extractive Industries to promote
inclusive and sustainable industrial development, structural economic
transformation and inclusive and resilient economic growth**

Tuesday, 24 February, 2015

Conference Room 6 (UN HQ)

I. Background:

The African Union Agenda 2063, put for adoption during the next AU Summit to be held in January 2015, is in part an African collective response to one of the urgent and main challenges facing African countries, which is to promote a socio-economic transformation underpinned by inclusive and broad-based economic growth in order to eradicate poverty and improve human development and put the continent on a path towards sustainable development. As an overarching **“global strategy to optimize use of Africa's resources for the benefits of all Africans”**, Agenda 2063, is a culmination of wide consultations to realize the African Vision of the **“Africa We Want”**, corresponding to and exceeding the **“Future We Want”** document adopted by the Rio+20 Summit on Sustainable development. The adoption of the Agenda 2063 will come at an opportune time, as it coincides with the ongoing negotiations towards the formulation and adoption of the Post-2015 Development Agenda.

During the intergovernmental negotiations on the Post-2015 Development Agenda, the importance of developing countries achieving long-term economic growth and full and productive employment has been clearly emphasized. As such, the Post-2015 Development Agenda is to reflect Member States' demand for a model of sustainable development based on sustained, inclusive and sustainable economic growth. Indeed, the outcome document of the Open Working Group on Sustainable Development Goals demonstrated the significant importance attached by all Member States to industrialization and value addition as key drivers for inclusive economic growth and sustainable development. In particular, the AU Agenda 2063 underscores the crucial role of industrialization, including through value addition of natural resources for achieving Africa's development objectives.

For many African countries, revenues from natural resources, including extractive industries, is a key source for development financing. Africa has abundant natural resource endowment which provides a comparative advantage. It has approximately 12 percent of the world's oil reserves, 40 percent of its gold and about 60 percent of the world's uncultivated arable land. The increasing demand for primary commodities, particularly in rapidly growing emerging economies and the resulting increase in primary commodity prices has helped African countries increase their trade with the world in nominal terms from \$ 251 billion in 1996 to \$ 1.151 trillion in 2011.

However, the strong African export performance, composed mostly of primary commodity exports, has not allowed African countries to harness the full potential of their rich natural resource endowments and to employ the competitive advantage offered as an engine for inclusive economic growth. In fact, Africa's share of world trade remains small and vulnerable to fluctuations in primary commodity prices. In 2013, Africa's share of global exports stood at 3.3 percent marking a slow increase compared to its share in 2000 estimated at 2.3 per cent. Moreover, a key feature of Africa's trade, which has had some adverse implications for its impact on economic growth and development, is its relatively low level of intra-regional trade. Intra-African trade stands at around 11 percent compared to 60 percent, 40 percent, 30 percent intra-regional trade that has been achieved by Europe, North America and ASEAN, respectively.

II. Towards a transformative role for mineral resources in Africa's development agenda (Agenda 2063) and the Post-2015 Development Agenda through inclusive and sustainable industrial development

Following the Consensus Statement, adopted at the end of the African Development Forum ADF-VIII, on the theme: “*Governing and harnessing natural resources for Africa's development*”, held in Addis Ababa, Ethiopia in October 2012, African Member States called for the promotion of partnerships among stakeholders and governments to popularize the Africa Mining Vision (AMV) adopted by African governments in February 2009 to transit towards resource based growth and industrialization to help drive the progressive structural transformation of the continent. As Africa aspires towards promoting industrialization and economic transformation, African leaders are determined to seize emerging opportunities to foster industrial development as an effective, socially responsible and environmentally sustainable means towards economic transformation and poverty eradication. This is also evidenced by the adoption in 2008 of the *Action Plan for Accelerated Industrial Development of Africa (AIDA)*¹, with a view to rationalizing, prioritising and operationalizing the activities listed in the Action Plan.

Furthermore, the Common African Position (CAP) on Post-2015 Development Agenda reaffirms the central role of value addition and industrialization for the achievement of Africa's development priorities. In addition, the African Union Agenda 2063, developed by the African Union Commission, through intensive consultations with and among a wide range of African stakeholders across the continent, places gaining control over the exploitation of natural resources to undertake transformation and value addition very high on its agenda, not only as a goal in itself, but also as an enabler to facilitate the delivery of other development objectives.

In addition, at the Seventh Joint AU Conference of Ministers of Economy and Finance and ECA Conference of African Ministers of Finance, Planning and Economic Development, held in Abuja, Nigeria in late March 2014 also called for Africa's structural transformation through industrialization. In particular, Member States called for credible industrial policies, mechanisms for industrial resource mobilization and effective industrial policy organizations to enhance the structural transformation of the continent.

As a way forward, a joint report by the United Nations Economic Commission for Africa and the African Union Commission was launched during the AU/ECA Conference with the theme “Dynamic industrial policy in Africa: innovative institutions, effective processes and flexible mechanisms”. The report called for an institutional framework for designing and implementing industrial policy in Africa, and recommended that top-level coordination of the industrial policy framework was required to deal with potential problems that could undermine the efficiency of industrial policy. The report builds on the previous joint publications by the AUC-ECA on “the role of the state in economic transformation” (Economic Report on Africa 2011) and on “making the most of Africa's commodities: industrializing for growth, jobs and economic transformation” (Economic Report on Africa 2013).

¹The “*Action Plan for Accelerated Industrial Development of Africa (AIDA)*”, provides an “*Implementation Strategy*” under Seven Programme Clusters.

III. Purpose of the High-level EGM:

To support the ongoing efforts of the African countries and the African Union to maximize the developmental impact of natural resources through the promotion of inclusive and sustainable industrialization and value addition, the United Nations Office of the Special Adviser on Africa (OSAA), in its capacity as focal point for Africa's development, including NEPAD, at UN Headquarters, and within its advocacy and coordinating mandate, will convene a High-level Expert Group Meeting with the theme: "Towards the Post 2015 Development Agenda and the African Union Agenda 2063- Enhancing the management of Africa's Extractive industries to promote inclusive and sustainable industrial development, structural economic transformation and inclusive and resilient economic growth.

The High-level Expert Group Meeting will be organized in collaboration with the African Union Commission (AUC), the African Development Bank (AfDB), the UN Economic Commission for Africa (ECA), the United Nations Industrial Development Organization (UNIDO) and the United Nations Department of Public Information (DPI).

IV. Overall Objective:

In the context of the African Union Agenda 2063, the proposed meeting will reflect on the progress, achievements, challenges and gaps faced by African governments in their efforts to promote industrialization and value addition through the implementation, inter alia, of the African Mining Vision (AMV) and the Action Plan for Accelerated Industrial Development in Africa (AIDA), and in light of the Common African Position on the Post-2015 Development Agenda.

The specific objectives will:

1. Assess progress, achievements and challenges in the implementation of the AMV and AIDA, and explore prospects and opportunities for accelerating its implementation towards Africa's structural transformation.
2. Draw out relevant lessons and best practices from the implementation of the AMV and AIDA to inform the discourse on the role of value addition through inclusive and sustainable industrial development as a means to promoting job creation and eliminating poverty, particularly in the context of the Post-2015 Development Agenda, the SDGs and the forthcoming African Union Agenda 2063.
3. Aim to identify concrete recommendations that would greatly contribute towards promoting the institutional capacity of the African Union to implement AIDA and the AMV.
4. Draw recommendations and linkages on how the AMV and AIDA can contribute towards Africa's structural transformation.
5. Seize the opportunity to build and renew partnerships among stakeholders, governments, and the donor partners with the intention to facilitate the implementation of the AMV and the AIDA.

V. Expected output:

- A summary report on the proceedings with actionable recommendations.
- An advocacy strategy by the United Nations system to popularize the African Mining Vision and AIDA among the multiplicity of stakeholders and donor partners.
- The identification of key areas where the donor partners can contribute to strengthening the implementation of the AMV and AIDA.
- Increased understanding on how to transform the African economy from a resource-dependent economy to a dynamic and diversified industrial economy that maximizes on resource utilization.

VI. The Way forward:

African governments should assiduously implement the Action Plan for Accelerated Industrial Development of Africa and the African Mining Vision (AMV) in order to achieve the much-needed paradigm shift towards industrialization and economic transformation through value addition. OSAA, in its advocacy role, will seek to popularize the African Mining Vision within the continent and with donor partners and the international community to facilitate implementation.

Moreover, OSAA will use the outcome of this High-level meeting to assist the African Union Commission to speak with one voice, as relates to promoting sustainable exploitation of natural resources and biodiversity during the negotiations on the Post-2015 Development Agenda and the SDGs.

VII. Format:

Moderated by the Special Adviser on Africa, the High-level EGM will be structured in four sessions: an opening segment, two High-level interactive thematic discussions, and a brief closing session.

The opening segment will comprise of opening and introductory remarks by the co-organizers, including welcoming remarks by the United Nations Under-Secretary-General and Special Adviser on Africa; introductory remarks by the President of the General Assembly, His Excellency, Mr. Sam Kahamba Kutesa; opening remarks by the African Union Commissioner for Trade and Industry, Her Excellency, Ms. Fatima Haram Acyl; opening remarks by the Chair of the Month of the African Group of Ambassadors in New York; opening remarks by the Executive Secretary of the Economic Commission for Africa, Mr. Carlos Lopes; opening remarks by the CEO of the NEPAD Agency, His Excellency, Dr. Ibrahim Assane Mayaki, and a keynote address by Professor Sir. Paul Collier, Professor of Economics and Public Policy, University of Oxford.

Two interactive thematic discussions, moderated by selected Ambassadors from the African Group will follow. The closing session will include remarks by the Director and Representative of UNIDO to the UN; the African Union Commissioner for Trade and Industry; the Chief Executive Officer for the NEPAD Agency; and the Under-Secretary-General and Special Adviser on Africa.

VIII. Participants:

Participants will include the African Permanent Representatives based in New York and high level officials from the African Union Commission, the African Development Bank and the United Nations System. As the meeting will discuss regional aspects of the implementation of the AIDA and the AMV, representatives from the African Regional Economic Communities will be invited to participate. As the NEPAD Agency and the APRM are critical components of regional integration within the continent, high level participants will be invited to attend. Representatives from Academia, the civil society, private sector and the Diaspora will also join in the discussions, as appropriate.

XI. Co-organizers:

The United Nations Office of the Special Adviser on Africa, in collaboration with the African Union Commission and the African Union Permanent Observer Mission to the United Nations, the African Development Bank (AfDB), the UN Economic Commission for Africa (ECA), the United Nations Industrial Development Organization (UNIDO) and the United Nations Department of Public Information (DPI).

XII. Venue and Date

The High Level EGM will be held at the **United Nations Headquarters (Conference Room 6)** on **Tuesday, 24th February, 2015.**